



Editor, Gail Bradbear

In this issue you will notice more changes to Control. We have introduced a new page layout and with it fresh editorial features which we hope you will feel beneficial. Remember this is your journal so your comments will always be welcomed!

This month we start off with an editorial from David McGuire.

Enjoy your read.

Gail

The Abridged History of Computerised Planning Systems

David Maguire

In the beginning there were Bill of Materials processors, originally developed by IBM in the 1960's. They were simple loop queries that extrapolated the requirements of an assembly and gave a listing of all the parts required to manufacture a predetermined number of the assembly.

These initial forays into material planning were primarily utilised by enthusiasts who would feed punched cards into the black box and receive a print they would pore over for many hours before being deemed suitably bug free to be issued to the factory as the basis for a manual netting exercise against physical inventory within the store room.

As time moved on development of the original concept continued and as hardware became cheaper and more user friendly, terminals were used to enter and view data records - a new player entered the arena of Manufacturing Planning & Control; MRP. A child of the 1970's Materials Requirements Planning (MRP) was different; whilst it was still happily exploding Bills of Materials it had more features. Time phasing, netting and batching to be exact.

Time phasing enabled us to schedule materials to the point of the production process they were required at and in conjunction with the netting aspect enabled us to only order what was needed to meet the plan. Batching enabled the ordering of the sum of all requirements and hence allowed more efficient use of resources. In essence MRP offered the ability to plan the availability of the right parts in the right place at the right time.

The success rate of initial MRP implementations was low and the number of records to be kept were increasing. Part master files, Bills of Materials and stock records were all to be kept accurate. Alongside that there were purchase orders, works orders and customer orders along with high level planning files. All this data required personnel to key data into a system that ran maybe once a week and churned out masses of reports to be actioned. The system was spreading out of the hands of the enthusiastic few and into the hands of the sceptical many.

Due to the time delay between data entry, processing and reporting the errors in data, integrity became more and more difficult to track down, yet they swelled in the background consuming the business until complex workarounds were the only option for survival. 'The system is broken' was a familiar cry around manufacturers who had fallen foul of the evil MRP system.

Of course, the problem was that up until this point planning had never been this scientific, prior to the use of computer aided planning the predominant method had been re-order point. Each part would have a trigger in inventory levels that would alert the planner to raise

another work order. The lapse in response time would be covered by the inventory level with a margin for safety.

It was obvious that a new approach was needed, and would you believe it, in the 1980's the software manufacturers were already one step ahead of the game. MRPII had arrived. Now what differentiated MRPII from MRP was the closed loop aspect of the system, computerised capacity planning was now part of the bundle and it offered great benefits, providing you managed it properly. Rough Cut Capacity Planning was there to validate the Master plan prior to exploding the requirements through MRP. Yes, once again the features needed managing correctly and that meant setting and maintaining data records to a high level of accuracy. This required additional resource, which was precisely what these systems were supposed to be removing.

Of course hardware had improved in parallel and the issue of only running a Bill of Materials explosion once a week was removed by the improved performance of the software and hardware; provided of course, that your database was clean and uncluttered enough to allow a MRP run overnight, it was possible.

Before we proceed to ERP, which some more cynical than myself may consider to be another re-branding exercise it is worth looking back through the text to look for a theme to this missive. Yes dear reader your observations are spot on. Data integrity is the common theme, as the tools at our disposal have become more sophisticated and complex many have lost sight of the drivers of the manufacturing business.

Of course this is a simplistic view of the world, as systems have

developed and embraced more functions of an organisation, the drivers of system integrity have multiplied at an astonishing rate. However, we are only focussing on core manufacturing drivers and can even forget about purchasing for the point of this editorial.

Now ERP is fundamentally the same as MRPII except it allowed us to integrate all aspects of the business and indeed many sites within the organisation. It is truly an enterprise wide planning system. The features, options and levels of configurability on the average ERP system offer such a wide range of setup that it is not hard to become overwhelmed by the sheer size of the beast.

The good news, apart from the fact that I am not even going to try and explain APS systems in this editorial, is that in the majority of cases a few simple rules will ensure a reduction in the headaches from the software you are using no matter where it sits on the hierarchy.

- Keep the system setup as simple as possible

- Change your processes first and the software as the last resort
- Strive for the highest Inventory Accuracy you can – at the end of the day it is cash

- Audit BoM accuracy and routing accuracy
- Last, but by no means least, ensure that the Master Plan is balanced and achievable.

Letter to the Editor

Dear Editor

BENEFITS FOR IOM MEMBERS

One of the big advantages of being in the IOM is the opportunity to visit manufacturing companies in the UK and to discuss with their managers how they are meeting the challenges that we all face. One such occasion in February concerned the IOM visit to Coca-Cola in North London (see Branch News, page 8). During a stimulating evening including a factory tour three points emerged from almost 4 hours of intense discussion.

1 Management Attitude I was impressed by the go getting and open-minded attitude of the 4 key managers who welcomed us. They explained the progress they were making and the challenges that lie ahead. They welcomed our questions!

2 Shop Floor Software A key part of their success is the software used by managers, team leaders and engineers to focus their efforts to produce targeted performance.

3 Sing For Your Supper IOM members were invited to suggest how performance could be improved during the tour of the facility. This we did and they were discussed and accepted in exactly the right manner.

IOM. Please may we have other factory visits of this calibre.

Brian J. O'Connor, FIOM, B.J. O'Connor International Ltd



Please contact **Martin Vessey**, **Rohana Khan** or **Caren Costello** to discuss these opportunities and many more throughout UK, European and Overseas Vacancies.

Alternatively visit our website www.supplychainsearch.co.uk
To register please email your CV to us in word format to info@supplychainsearch.co.uk

<p>INTERIM PRODUCTION DIRECTORS - FOOD PROCESSING Negotiable Package</p> <p>These are immediate vacancies responsible for food manufacturing operations and production planning. Key skills are day to day operations, planning, quality, shop floor control, the implementation of a DQOP system. The objective is to substantially improve plant performance. Candidates must have strong food production operations, ideally chilled, and planning experience at a senior level. They will demonstrate the ability to push through change using their highly developed interpersonal and influencing skills. Other characteristics will include resilience and practicality.</p> <p>Dunstable & The Netherlands Ref: 03000478</p>	<p>SUPPLY CHAIN MANAGER - AUTOMOTIVE SECTOR £225,000</p> <p>Operating in the aftermarket sector, the Supply Chain Manager will be responsible, with their team, for the procurement of a wide range of components for assembly, packaging and distribution to the trade. Key activities are replenishment, inventory management, accurate margins, negotiations, production planning. Candidates should be purchasing and/or planning professionals with automotive experience. Important skills will include negotiation, planning, accuracy, team management together with a highly developed commercial acumen.</p> <p>Coventry Ref: 03000482</p>
<p>MATERIALS PLANNING & LOGISTICS MANAGER £40-50k, depending on experience</p> <p>Our client is positioned as a major player in the automotive industry. An MP&L Manager is required and will be responsible for materials flow from the supplier through the plant to the customer. A critical aspect of the MP&L manager's role is to ensure the Plant Manager is kept informed of any issues or problems with material flow and therefore they need to build a good relationship working closely together as part of a small tight knit management team. Communication is vital - MP&L attends and reports materials / plant status each morning via the production meeting. The objective is reduce inventory and optimise the materials flow will affect every part of the business and therefore the candidate needs to have strong influencing and change management ability. Within this role there will be plenty of scope to make improvements/changes to the plant and "shims". A target and reward to individual and to graduate salaries, you will have modern supply chain grasp and be able to improve and optimise materials flow and inventory. In addition, applicants should be dynamic, robust and an excellent team player.</p> <p>Leam Ref: 03000486</p>	<p>CUSTOMER SERVICES MANAGER (GLOBAL) £125,000 + Benefits</p> <p>You will manage and develop all customer service, internal sales support and order processing activity for the site, to achieve agreed levels of customer satisfaction, while minimising supply chain costs, and provide knowledge and expertise in global export trade activities and their legal requirements. This will include updating and communicating short term forecasts for defined customer groups to support sales, ensure data accuracy for materials planning purposes and ensure that orders are processed within the sales and distribution models of SAP. Applicants will be degree educated with experience in a customer-focused environment. You must also have experience of managing a team.</p> <p>North West Ref: 03000481</p>
<p>EUROPEAN DEMAND MANAGER £30-40,000 plus benefits</p> <p>Work within the pharmaceutical sector, with a growing portfolio of best in class products. This is a newly created role between sales, marketing and manufacturing operations managing the forecasting and replenishment processes. Operating throughout the region you will facilitate demand management processes and will gain excellent international experience and exposure to manufacturing operations. The ideal applicants will be graduates with production planning, sales forecasting and demand management experience, excellent communication and interpersonal skills and a continuous improvement approach are essential. Applicants must be educated to at least 2:1 Degree level.</p> <p>M3 Corridor Ref: 03000481</p>	<p>SEARCH & SELECTION CONSULTANTS £100,000 basic plus bonus, car allowance flexible working/ full or part time hours could be considered</p> <p>We deliver high quality recruitment solutions to clients across a wide range of business sectors within the UK, Europe and Global market. To sustain dynamic organic growth we are looking for high calibre supply chain, logistics, purchasing, materials, HR or recruitment professionals to join our team based in Warwick. You will work closely with new and existing clients developing tailored recruitment solutions, including multiple recruitment programmes, psychometric testing and assessment centres. The emphasis will be on providing high quality, customer focused, value added service. Applicants must demonstrate considerable expertise in key account development, full project/assignment leading, time management, organisational and planning skills. A Graduate, you will be a lateral thinker with the ability to "think outside the box" and deliver practical and cost effective solutions for our clients ensuring that long term partnerships are developed at all times. This is an excellent opportunity for team players who thrive on delivering solutions and exceeding customer expectations.</p> <p>Warwick/Leam</p>

Supply Chain Search & Selection The Matrix, Hawley Business Centre Warwick - CV35 7LS
Tel: 0044 (0) 2476 247296 Fax: 0044 (0) 2476 247297
Email: info@supplychainsearch.co.uk Web: www.supplychainsearch.co.uk

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